

REPORT

SUBJECT	REVENUE & CAPITAL MONITORING 2016/17 OUTTURN STATEMENT
DIRECTORATE	Resources
MEETING	Cabinet
DATE	7th June 2017
DIVISIONS/ WARD AFFECTED	All Authority

1. PURPOSE

- 1.1 The purpose of this report is to provide Members with information on the revenue outturn position of the Authority at the end of reporting period 4 which represents the financial outturn position for the 2016/17 financial year.
- 1.2 This report will also be considered by Select Committees as part of their responsibility to,
- assess whether effective budget monitoring is taking place,
 - monitor the extent to which budgets are spent in accordance with agreed budget and policy framework,
 - challenge the reasonableness of projected over or underspends, and
 - monitor the achievement of predicted efficiency gains or progress in relation to savings proposals.

2. RECOMMENDATIONS PROPOSED TO CABINET

- 2.1 That Members consider a net revenue outturn unspend of £884,000, an improvement of £805,000 on quarter 3 outturn predictions.
- 2.2 Members consider a capital outturn spend of £40.03m against a revised budget of £40.98million, after proposed slippage of £17.5 million, resulting in a net underspend of £951k.
- 2.3 Consider and approve the £17.5m capital slippage recommended (detailed in appendix 2), paying attention to those schemes described in para 3.3.6 where slippage has been requested by the service manager but is not being recommended to slip (£198k).
- 2.4 Considers the use of reserves proposed in para 3.4.1,
- 2.5 Supports the apportionment of general underspend in supplementing reserve levels as described in para 3.4.3 below, i.e.:
- | | |
|-------------------------------------|-------|
| Priority Investment Fund | £570k |
| Redundancy & Pension Reserve | £114k |
| IT Transformation Reserve | £100k |
| Capital Receipts Generation Reserve | £100k |
| Total | £884k |
- 2.6 Members note that the low level of earmarked reserves will severely reduce the flexibility the Council has in meeting the challenges of scarce resources going forward.

- 2.7 Members note the significant reduction in the overall school balance at the end of 2016/17 and supports the continuing work with schools to ensure that the Council's Fairer Funding scheme requirements are met and that the overall schools balance remains positive in 2017/18.

3. MONITORING ANALYSIS

3.1 Revenue Position

3.1.1 Revenue budget monitoring information for each directorate's directly managed budgets is provided together with information on corporate areas.

3.1.2 Responsible Financial Officer's Summary of Overall Position Period 4 : Final outturn

Table 1: Council Fund 2016/17 Outturn Forecast Summary Statement at Period 4 (Outturn)

Service Area	Budget Reported @ Month 9	Budget Virements & Revisions made during Period 4 £'000	Revised Annual Budget @ Outturn £'000	Outturn £'000	Forecast Over/ (Under) @ Outturn £'000	Equivalent Forecast Over/(Under) @ month 9 £'000	Variance in Forecast since month 9 £'000
Adult Services	7016	93	7109	6929	-180	-100	-80
Children Services	9804	-39	9765	10338	573	584	-11
Community Care	20624	1	20625	21413	788	594	194
Commissioning	1543	0	1543	1427	-116	-93	-23
Partnerships	347	0	347	398	51	0	51
Public Protection	1460	0	1460	1378	-82	-3	-79
Resources & Performance	911	-42	869	869	0	3	-3
Total Social Care & Health	41705	13	41718	42752	1034	985	49
Individual School Budget	43224	-63	43161	43191	30	34	-4
Resources	1508	0	1508	1523	15	-4	19
Standards	5066	17	5083	5084	1	140	-139
Total Children & Young People	49798	-46	49752	49798	46	170	-124
Business Growth & Enterprise	1028	-214	814	801	-13	25	-38
Planning & Housing	1362	0	1362	1151	-211	-180	-31
Tourism Life & Culture	2902	80	2982	3424	442	448	-6
Total Enterprise	5292	-134	5158	5376	218	293	-75
Governance, Engagement & Improvement	4620	-21	4599	4502	-97	22	-119
Legal & Land Charges	448	0	448	401	-47	-30	-17
Operations	16922	-126	16796	16425	-371	-152	-219
Total Chief Executives Unit	21990	-147	21843	21328	-515	-160	-355
Finance	2242		2242	2011	-231	-101	-130
Information Communication Technology	2371	-89	2282	2328	46	-1	47
People	1463	0	1463	1505	42	100	-58
Place	-722	42	-680	-576	104	210	-106
Total Resources	5354	-47	5307	5268	-39	208	-247

Precepts and Levies	16484	0	16484	16488	4	4	0
Coroners	80	0	80	100	20	20	0
Gwent Joint Records	183	0	183	182	-1	0	-1
Corporate Management (CM)	186	0	186	553	367	475	-108
Non Distributed Costs (NDC)	726	0	726	818	92	108	-16
Strategic Initiatives	634	-146	488	0	-488	-440	-48
Insurance	1218	0	1218	1396	178	-74	252
Total Corporate Costs & Levies	19511	-146	19365	19537	172	93	79
Net Cost of Services	143650	-507	143143	144059	916	1589	-673
Fixed Asset disposal costs	95	-20	75	75	0	16	-16
Interest and Investment Income	-55	0	-55	-89	-34	-18	-16
Interest payable & Similar Charges	3496	2	3498	2923	-575	-555	-20
Charges required under regulation	3427	62	3489	3373	-116	-54	-62
Contributions to Reserves	105	0	105	318	213	3	210
Contributions from Reserves	-2017	352	-1665	-1880	-215	0	-215
Capital Expenditure funded by revenue contribution		109	109	109	0	0	0
Appropriations	5051	505	5556	4829	-727	-608	-119
General Government Grants	-63567	0	-63567	-63567	0	0	0
Non Domestic rates	-27981	0	-27981	-27981	0	0	0
Council Tax	-63411	0	-63411	-64076	-665	-650	-15
Council Tax Benefits Support	6258	0	6258	5852	-406	-409	3
Financing	-148701	0	-148701	-149772	-1071	-1059	-12
Budgeted contribution from Council Fund	2	0	2	0	-2	-2	0
Net Council Fund (Surplus) / Deficit	2	-2	0	-884	-884	-79	-805

3.1.3 The bottom line situation of a £884k underspend is an improved position since month 9 and is caused mainly by the reduction in overspend exhibited in net cost of services. The overspend in net cost of services is offset by underspends in treasury caused by the continuing cash flow effect of Minimum revenue provision changes, delays in fixed asset disposal, an excess of interest receivable and reduced cost of interest payable, caused ultimately by the levels of capital slippage and underspends at end of year not forecast as necessary by service managers earlier in the year. A surplus on council tax collection has been maintained as forecast through the year along with a reduction in the demand for Council Tax Benefits which has also helped with the overall position.

3.1.4 Whilst any overall underspend is a pleasing result for the year, the outturn variance may seem a big amount. Putting the outturn variance in context, it is less than 0.6% variation against the net cost budget before financing. That is an incredibly close correlation given the volume of budget holders involved in the process, the volatility in pressures and savings proposals experienced during the year and the need to secure compensatory savings to mitigate adverse positions highlighted earlier in the year. The use of periodic monitoring as a tool for change during the year should not be underestimated.

3.1.5 A comparison of the Net Council fund line against previous years activity indicates the following,

Net Council Fund Surplus	2016-17	2015-16	2014-15
	£'000	£'000	£'000
Period 1	1,511 deficit	867 deficit	219 deficit
Period 2	839 deficit	1,066 deficit	116 deficit
Period 3	79 surplus	162 deficit	144 deficit
Outturn	884 surplus	579 surplus	327 surplus

3.1.6 Redundancy costs

Members are commonly keen to understand the extent of an redundancy payments made during the year, as staffing remains the most significant and controllable expense to most service areas. As a change from previous years, as part of the 2016-17 budget process, members may recall establishing a corporate revenue budget to mitigate the volatile effect on reserves, similar to the £300k budget held within CYP Directorate for schools redundancies.

Directorate	Service	Redundancy Costs 2016-17
Enterprise	Leisure	34,566
Chief Executives	Highways & Traffic	27,924
	Catering	9,295
	Community Education	2,797
	Community Hubs	3,821
	Sub total	43,837
Social Care & Health	Children's Services	68,124
	CLD team	1,933
	Community Care	2,230
	Day Centres	1,781
	Direct Care	135,481
	Public Health	8,164
	Sub total	217,713
Children & Young People	Schools	282,692
	Early Years	18,202
	Sub total	300,894
Total		597,010

- 3.1.7 Given the financial challenges that will continue to face the Authority for the foreseeable future, Chief Officers continue to be tasked with ensuring that services live within the budgets and savings targets set for the current financial year.
- 3.1.8 A summary of main pressures and under spends within the Net Cost of Services Directorates include,

3.1.9 Stronger Communities Select Portfolio (£2,180k net underspend)

- Chief Executives Unit (£515k underspend)

Legal division exhibited a **£47k surplus**, due to staffing savings and windfall land charges grant. **Governance, engagement and improvement** exhibited a favourable swing of £118k between month 9 and outturn to end the year with a **£96k surplus**, largely the consequence of not having to return utilised grant from previous years, new members IT needs falling into 2017-18, and a conscious effort at Community Hubs to reduce expenditure to compensate for the loss in franchise income being felt in Community Education. **Operations exhibited** an improvement of £219k on month 9 position to end the year at a **combined £371k surplus**. The position for each of main Operations areas is as follows, Highways £16k deficit, Property and Procurement £182k surplus (importantly the service has resolved the large deficit in schools catering it received from CYP Directorate when the service moved), Passenger Transport £72k deficit, Transport administration £27k surplus, Waste and Streetscene £249k surplus..

- Resources Directorate (£39k underspend)

An underspend in Finance Division costs of £231k, predominantly predicted savings in housing benefit and council tax administration. **IT** shows a worsening position since month 9 ending the year as a **£45k deficit**, the effect of a previous presumption to develop and sell software not being compensated by alternate savings identified by the service. **People services exhibited £43k deficit** due to the delays with implementing the Training budget mandate (£50k) and take up of Flexible benefits being negligible against a target saving mandate of £50k. **Place division** ended the year an improved **deficit of £104k**, still affected by shortfalls against income targets, £47k overspend in respect of Markets, a mixture of increased costs in association with Borough Theatre, and a shortfall in income against income targets. The remainder £75k is a result of an unachievable mandate for the commercialisation/optimising of Enterprise Assets that has recently transferred to the new Directorate. This pressure has been identified and built into 2017-18 budget proposals going forward.

- Corporate (£172k overspend)

There is an excess of net pension strain costs (£108k) caused by past and current redundancy decisions. Corporate management exhibits a £475k overspend caused predominantly by a shortfall in reimbursement in rating appeals forecast as £140k deficit, miscellaneous write off of unrecoverable debts £47k, £318k of employment tribunal settlement costs, and coroner costs being higher than budgeted (£20k overspend). These costs are offset by the underspend within Strategic initiatives of £487k, which reflects Living wage and redundancy budget, where instead the costs sit in individual Directorates through the year, to be absorbed/mitigated in first instance. The main change since month 9 is an increase in Insurance outturn costs which exhibits £178k deficit at end of year. This is caused by the level of provisions needing to be set aside in the insurance reserve to compensate for the extent of significant claims received during the year and the settlement costs experienced in managing an imprest in respect of historic MMI claims on an all Gwent basis.

- Appropriations (£727k underspend)

Caused predominantly by a net £609k saving in treasury/borrowing costs from active treasury management and utilising recurrent short term borrowing as an alternative to taking out more expensive long term borrowing. Net borrowing costs are also favourably affected by any delay in the timing of expenditure, capital slippage and capital underspends where it avoids borrowing presumed. The remainder is an exhibited beneficial effect to minimum revenue provision payments.

- Financing (£1,071k underspend)

The net effect from an excess of Council tax receipts and less than anticipated Council tax benefit payments

RESOURCES DIRECTOR CONTEXT & COMMENTARY

I am delighted to see the directorate achieve an under spend position at the end of the year having struggled throughout the year to contain pressures resulting primarily from budget savings that were identified as being unachievable. These pressures have impacted significantly on the outturn position but have been offset as a result of efforts made across the directorate to contain and limit expenditure. One-off savings were achieved as a result of one-off grant and income in housing benefits and strategic property management and cemeteries. The directorate has also benefitted from vacancy savings resulting from delays in restructuring. Moving into 2017/18 the directorate has benefitted from unachievable budget savings from the current year being removed. That said 2017/18 will still be a challenging year as the directorate looks to deliver its savings plans and continues to support the organisation at large with its agenda for change.

HEAD OF OPERATIONS CONTEXT & COMMENTARY

The Operations department returned an underspend of £371,000 contribution towards the Council's overall out turn position.

The department provides a wide range of 'public' services often affected by customer demand, contractual relationships, materials/fuel costs and service demands determined for example by matters such as weather, litter, road conditions etc.

Given the inherent volatility in some aspects of service costs along with further budget reductions in 2016/17 the out turn is pleasing although the variation from the month 9 forecast is acknowledged and officers will endeavour in 17/18 to improve the projections in year. Some of the major service issues affecting out turn are mentioned below:

The mild winter with less freezing conditions and no major snow fall allowed Highways operations to return an underspend, obviously the out turn each year is affected by weather conditions so these are difficult to forecast. Similarly property maintenance returned an underspend again aided by a mild and relatively storm free winter period.

Passenger Transport suffered significant sickness absence costs. Working with HR colleagues has seen this position improve dramatically in the latter part of the year but obviously cover has to be found to ensure services are provided so costs are inevitably incurred for overtime or extra staff.

Waste and Street scene predicted an underspend early on due to the structure of annuity payments from WG for to Prosiect Gwyrdd, low take up of the occupational pension scheme (superann) and tonnages down on projections.

3.1.10 Economy & development Select Portfolio (£136k net overspend)

- Enterprise Directorate (£218k net overspend)

Business growth and enterprise incurred a net **£14k underspend**, the net effect of RDP grant funded expenditure being deferred. The effect of this is transferred to reserves through Appropriations.

Planning & Housing (£210k underspend) – Development control exhibits a deficit of £38k through reduced development and income activity, conversely development plans area exhibits £203k surplus, which is rather artificial as the saving is largely resultant from Local development plan (LDP) costs being deferred which will instead crystallise next year (hence the reserve movement

through Appropriations). Housing exhibits a £45k underspend which is a mixture of net one off grant received in homelessness, an excess of income in lodging scheme being above occupation assumptions, a premise cost savings in no longer sharing accommodation with a neighbour authority and minor staff savings.

Tourism, leisure & culture (£443k overspend) - Countryside exhibit an underspend of £20k from part vacancy and extra grant funding. There is a £311k overspend in respect of Cultural services, of which the main pressures are Caldicot Castle (£176k), Old Station (47k), Shire Hall (£18k) and Museums (47k). There is £15k overspend against the budgeted management agreement with Borough Theatre. Leisure services ended the year with a small £6k surplus, which is a particularly good result given senior colleagues involved with Alternate Delivery Model considerations. Events exhibits a £50k deficit against its budgeted surplus, although has mitigated the loss forecast at month 9 by £16k through its recharges to Caldicot Castle. Tourist Information Centres indicate a £62k overspend due the service being run above the level presumed by saving levels volunteered by the Directorate for this service. Youth services are a recent addition to Enterprise Directorate, and have been absorbed in part between Business Growth and Enterprise sub division and Tourism Leisure and Culture subdivision. It was received from CYP with a significant inherent deficit and whilst there is still a £45k deficit, the service does exhibit a collective improvement of £102k since month 6.

- Social Care & Health (£82k underspend)

Public Protection (£82k underspend) – predominantly an excess of wedding deposits received by registrars (£37k), and the net fees & charges within Public Health service (£41k).

ENTERPRISE DIRECTOR'S CONTEXT & COMMENTARY

The outturn position reflects the continued pressures in the very area of the service that is currently under consideration for alternative means of delivery – Leisure, Tourism and Culture. Whilst aspects of this remain competitive and strong in generating revenue returns such as Leisure and Outdoor Education, there are parts of the service that don't have the same opportunities to generate income to similar levels purely on account of their scope and function. If these services are to be preserved in future given the wider value and returns they generate to the county, there is a core cost attached to this, which must be considered as part of future delivery expectations.

3.1.11 Adult Select Portfolio (net £492k overspend)

- Social Care & Health

Adult Services (£180k underspent) – the net effect of secondments and intermediate care funding sustaining services, a saving of £119k has resulted from the My Day review and the effect of superannuation savings, which compensates for the £91k net overspend in Direct Care due to additional staff costs.

Community Care (£788k overspend) – this area has now overtaken Children's Services as the most significant financial challenge affecting Social Care Directorate. The net pressure is reported due to 2 cases administered by Community Learning Disability team incurring £348k overspend, the continued care package demands predominantly within the Chepstow team and Mental Health Care team, which collectively result in £1million deficit. These are compensated in part by savings within the other 2 teams (£199k), reported Frailty partnership cost underspends (£126k) and net Independent Living and Intermediate Care funding total collectively £251k.

Commissioning (£116 underspend) – predominantly a savings within Drybridge Gardens service area caused by a refund on the last 3 years management agreement and a vacant unit at the site, and a return of historic un-utilised funding from a third party.

Resources (breakeven)

SCH DIRECTOR'S CONTEXT & COMMENTARY

Overall the Social Care and Health outturn was an overspend of £1.034million. This includes an overspend £51k for the Monmouthshire/ Torfaen Youth Offending Services which was a planned position to be met from service's reserves whilst changes to the staffing model are implemented. The considerable pressures reported throughout the year in adult and children's social services were reflected in the year end position. Children's Social Services reported an overspend of £572K as a consequence of pressures in placements for Looked After Children legal costs, agency workforce. These pressures were recognised in the 2017/18 budget and activity in all 3 areas is being taken forward through the Children's Services Improvement programme. Adult Social Services outturn was an overspend of £492K. The overspend arose as a consequence of not achieving the practice change mandate, which exposed underlying pressures in older adult mental health services and the Chepstow Integrated Team arising from demographic pressures and pressures within the social care market. Again, these pressures have been reflected in the 2017/18 budget and a significant piece of work is underway to try and put commissioning of care at home on a sustainable footing. The overall Social Care and Health position was supported by an underspend of £81k in public protection, due to increased income generation from wedding deposits and a re-designed charging rate schedule.

3.1.12 Children & Young People Select Portfolio (net £670k overspend)

- Social Care & Health (£623k adverse)

Children's Services (net £573k overspend) – this is now no longer the greatest financial challenge within Social care. Encouragingly the direct child care cost element only exhibits £64k deficit. Conversely staffing team costs still exhibits £508k adverse situation, mainly described by the service as being caused by the continuing use of agency staff.

Youth offending team partnership (£51k deficit) – whilst this shows as an overspend as part of the management accounting spreadsheets, this service is a partnership administered by the Council on behalf of itself and others and the deficit balance is transferred through Appropriations to a ring-fenced reserve.

- Children and Young People (net £46k overspend)

School Budget Funding exhibited a **£30k overspend** due to additional support provided by LEA in respect of staffing and IT charges. There is an **overspend of £16k** within the **Resources subdivision** caused by net interim management arrangements. **Standards subdivision** exhibits a **breakeven** position which hides some large movements, with £63k savings in ALN management and £40k savings in EAS costs compensating for the net direct additional learning needs costs of £104k.

SOCIAL CARE & HEALTH DIRECTOR'S CONTEXT & COMMENTARY

Overall the Social Care and Health outturn was an overspend of £1.034million. This includes an overspend £51k for the Monmouthshire/ Torfaen Youth Offending Services which was a planned position to be met from service's reserves whilst changes to the staffing model are implemented. The considerable pressures reported throughout the year in adult and children's social services were reflected in the year end position. Children's Social Services reported an overspend of £572K as a consequence of pressures in placements for Looked After Children legal costs, agency workforce. These pressures were recognised in the 2017/18 budget and activity in all 3 areas is being taken forward through the Children's Services Improvement programme. Adult Social

Services outturn was an overspend of £492K. The overspend arose as a consequence of not achieving the practice change mandate, which exposed underlying pressures in older adult mental health services and the Chepstow Integrated Team arising from demographic pressures and pressures within the social care market. Again, these pressures have been reflected in the 2017/18 budget and a significant piece of work is underway to try and put commissioning of care at home on a sustainable footing. The overall Social Care and Health position was supported by an underspend of £81k in public protection, due to increased income generation from wedding deposits and a re-designed charging rate schedule.

CHILDREN & YOUNG PEOPLE DIRECTOR'S CONTEXT & COMMENTARY

The Children and Young People's Directorate has worked very hard to close the year with a small overspend. This is an excellent outcome set against a challenging year where there has been interim management arrangements in place within the directorate and the ongoing pressures to meet the needs of children throughout the County.

The Directorate's outturn position is an overspend of £46,000; this is an improvement of £124,000 compared to Month 9. The primary factor is ongoing pressure on the Additional Learning Needs (ALN) budget. This area, in particular, remains under significant pressure and subject to volatility due to the requirement to support an increasing number of our pupils with complex needs.

Outside of the retained directorate budget the largest area of spend is within the Individual School Budgets (ISBs). Whilst the outturn position is broadly in line with budget this masks the considerable pressure that schools have experienced in existing with their allocated budget. There has been a call upon school reserves in year of £887,000 leaving schools with year end balances of £268,000. Within this figure there is a range of deficits and surpluses and the situation is challenging for many of our schools

3.2 2016/17 Savings Progress

3.2.1 This section monitors the specific savings initiatives and the progress made in delivering them in full by the end of 2016/17 financial year as part of the MTFP budgeting process.

In summary they are as follows,

								Appendix 1	
Budgeted Service Savings Mandates Progress 2016/17									
DIRECTORATE	Saving included in 2016/17 Budget	Savings reported achieved month 2	Savings reported achieved month 6	Savings reported achieved month 9	Savings reported achieved @ outturn	Percentage progress in achieving savings	Delayed savings	Savings not achievable	
	£'000	£'000	£'000	£'000	£'000	%	£'000	£'000	
Children & Young People	600	600	600	600	600	100%	0	0	
Social Care & Health	640	640	12	12	12	2%	0	628	
Enterprise	310	285	285	245	245	79%	40	25	
Resources	544	318	299	260	120	22%	215	209	
Chief Executive's	1,565	1,442	1,442	1,437	1,437	92%	85	43	
Total Mandated Service Savings 2016-17	3,659	3,285	2,638	2,554	2,414	66%	340	905	

There has been 1 change identified by services since month 9 reporting, relating from the delay in our rating appeals being considered by Valuation Office.

- 3.2.2 Forecasted mandated savings are currently running at 66%, down from 70% at period 3, with currently £095,000 being deemed unachievable, and a further £340,000 unlikely to crystallise in 2016-17.
- 3.2.3 The emphasis of reporting savings has changed from previously where savings were reported when they were manifest, however the judgement is now whether saving is forecast to be achieved.
- 3.2.4 Consequently the savings appendix also has a traffic light system to indicate whether savings are likely to be achieved or have justifiable reasons explaining delayed implementation. The following summary of savings mandates are still reported to be red or amber risk.

3.2.5 Stronger Communities Select Portfolio

Resources Directorate

- Mandate A5: Sustainable Energy Initiatives: Expected income targets of £34,000 are unachievable, alternative delivery plan of increased income on property rental portfolio and reduced expenditure on repairs and maintenance proposed
- Mandate B3: Training Services Consolidation: Consolidation of authorities existing training functions and increased revenue streams of £50,000 are unachievable. Alternative delivery plans are being considered.
- Mandate B5a: Community Asset Transfer £60,000: MCC still in discussions over transfer of Chepstow Drill Hall and Melville Theatre. £45,000 of the £60,000 savings contained within the mandate are forecast to be achieved.
- Mandate B5b: Optimisation/commercialisation of assets within Enterprise Division. This mandate was originally wholly with Enterprise Directorate. Responsibility for £75k of £100k was transferred to Resources Directorate recently, but is unlikely to be achieved this close to year end. The mandate has been regarded as unachievable longer term and alongside others is an element of pressures to be accommodated as part of 2017-18 budget process
- Mandate B16: Flexible Employment Options £50,000: Scheme exhibits little demand amongst staff.
- Mandate B17: Rating appeals £140,000. Appeals have been lodged with Valuation Office, but due to demands in producing a revised business rate listing a backlog in appeals cases being heard has resulted. It is anticipated the appeals the Council have submitted will be heard during 2017-18
- Mandate B18: Strategic Property Review: £21,000 shortfall identified as a failure to achieve Residential Letting Income and the Depot Rationalisation Programme which will take longer than expected.

Chief Executive's Office

- Mandate B11: Senior Leadership Structure Review: Currently £42,700 of the £315,000 mandated savings still to be found. Current structures under review in regard to achieving this further saving.
- Mandate 21: Town & Community Councils: The mandate is currently £60,000 short of the £400,000 in regard to the service collaboration for Tourism (£20k), Museums (£20k), and Public Conveniences (£20k).
- Mandate A28: Community Hubs: In a change from month 6, the original saving proposal £25,000 will not be achieved in the fashion original presumed by Contact Centre but the Community Hub service overall is still anticipated to break even against budget.

3.2.6 Economy & Development Select Portfolio

Enterprise (ENT) Directorate

- Mandate B5 b and c: Community Asset Transfer / Income Generation £25,000 of the original £100,000 relates to revised Leisure income targets. The remaining improvements from optimisation of assets has transferred to Resources Directorate. Neither element is forecast to be achieved this year, and has been added to the pressures for consideration as part of 2017-18 budget process.

3.2.7 Adult Select Portfolio

Social Care & Health (SCH) Directorate

- Mandate A34. Whilst current year savings were anticipated to be delivered in full at period 1, a revised overspend particularly with Community Care arm of Social Care of £888,000 currently, makes it unlikely to conclude that the practice change mandate of £628,000 is deliverable this financial year.

3.2.8 Children and Young People Select Portfolio

Children and Young People (CYP) Directorate

- Current year savings are anticipated to be delivered in full.

3.3. Capital Position

3.3.1 The summary Capital position at Outturn is as follows

MCC CAPITAL BUDGET MONITORING 2016-17 AT Outturn by SELECT COMMITTEE						
SELECT PORTFOLIO	Actual Spend at Outturn	Slippage Brought Forward	Total Approved Budget 2016/17	Capital Slippage to 2017/18	Revised Capital Budget 2016/17	Capital Expenditure Variance
	£000	£000	£000	£000	£000	£000
Children & Young People	27,792	39,731	43,207	(15,302)	27,906	(114)
Adult	79	30	86	0	86	(7)
Economic & Development	4,314	680	5,280	(966)	4,314	0
Strong Communities	7,847	3,243	9,777	(1,100)	8,677	(830)
Capital Schemes Total	40,031	43,684	58,350	(17,368)	40,982	(951)

Slippage to 2017-18

3.3.2 Total Slippage at Outturn is (£17,367k), which mainly relates to Future Schools (£14,909k), £522k within individual S106 schemes, the Solar Farm (£505k), £351k within Schools ICT, Bryngwyn cattle market sewage works at £183k and a further £152k in relation to Granville Street / Wyebridge Street car parks.

3.3.3 In comparison with quarter 3 service managers collectively identified slippage levels of £12.4m, necessitating £25m actual expenditure in last quarter. Whilst that level of spend hasn't been achieved the extent of slippage is roughly half the level of 2015-16 levels, which is encouraging given the motivations and communications made to reduce in year slippage.

3.3.4 This will be the third year that a more detailed examination of slippage requests is made based upon the principles established previously i.e.

- whether there has been little or no progress in previous 12 month,
- the level of expenditure incurred this year has been less than in year budget and slippage b/fwd., to consider any opportunity to realign the budget to more realistic levels or reprofile budget more accurately over multiple years,
- or where there are identified problems/barriers to progress e.g. no agreement over scheme, archaeological considerations, planning considerations not yet satisfied or where the manager hasn't clearly evidenced why this should be slippage in the request made.

- 3.3.5 The capital monitoring tends to be used by Members as a progress/performance tool. Examination of slippage requests suggest capital projects continue to be put into current year when there is little likelihood of being progressed. It is recommended that any report advocating to Council additional capital expenditure needs to highlight accurately which year the spend relates to so it can be profiled into the correct capital programme. Similarly with Property maintenance the slippage narratives indicate work can only proceed at certain times of the year. Where that hasn't occurred it would be sensible to reallocate the budget to an alternate priority and reintroduce in the following year out of the next year's allocation.
- 3.3.6 Appendix 2 indicates the extent of capital slippage requests received, which have been categorised into those proposed to Members for endorsement and those not. This year, in support of better considering the correct year for slipping approved expenditure into, a third column has been added to the table, to indicate those schemes where slippage is endorsed but where the year involved is still to be confirmed. The presumption being to add them back into those years at the slippage level indicated without a need for additional Council report.

		£'000
Extent of Slippage Requested		17,730
Endorsed to be added to 2017-18 capital programme		17,317
Endorsed to be added to a future capital programme		215
Rejected for slippage purposes		198
Total		17,730

Capital Outturn

- 3.3.7 Major revisions to the capital programme within year included Cabinet approvals for the Solar Farm at Oak Grove (£4,455K) and £600k for the Public Realm Abergavenny Town Centre scheme other than specific Grant funded or S106 Schemes.
- 3.3.8 Allowing for the extent of supported slippage requests, outturn capital spending was £40.03million against a budget of £40.98 million, creating an underspend of £951k.
- 3.3.9 However this is not all available for redistribution. For instance the underspends resulting from not automatically slipping sc 106 scheme balances forward will provide no net saving to the authority and will be returned to sc106 balances for refresh and possible reallocation. Similarly the IT reserve funded schemes not slipped will have those net resources returned to IT reserve and the low cost Home Ownership amount will be returned to receipts pool to be available to facilitate future back to back sales as such sales are demand led rather than annualised. Also the underspend in relation to Highways schemes (£376k) was earmarked to be funded by grant. So effectively looking at the financing table below, the saving for redistribution can be equated to the unsupported borrowing avoided i.e. £205k.
- 3.3.10 During the capital budget consultation, a number of other areas were identified where there is a commitment to invest, however the schemes currently sit outside the 2017-18 programme as work progresses to identify the funding requirements. These were:
- Monmouth Pool – commitment to reprovide the pool in Monmouth as a consequence of the Future schools programme
 - Abergavenny Hub – commitment to reprovide the library with the One Stop Shop in Abergavenny to conclude the creation of a Hub in each of the towns
 - Disabled Facilities Grants – the demand for grants is currently outstripping the budget, work is being undertaken to assess the level of investment required to maximize the impact and benefit for recipients. Subsequently Members agreed to supplement the existing DFG budget by £300k, from 2017-18
 - City Deal - 10 Authorities in the Cardiff City region are looking at a potential £1.2 billion City Deal. Agreement to commit to this programme is being sought across the region in January

and so would impact on the capital MTFP. The potential impact on individual authority budgets is currently being modelled in advance of decisions on specific projects and profiles in order for authorities to start reflecting the commitment in their MTFPs.

- J and E Block – the office rationalization programme is being considered to see if there is a solution that would enable the Magor and Usk sites to be consolidated, releasing funding to pay for the necessary investment to bring the blocks into use.

3.3.11 Whilst we have added some additional headroom into the Appropriations budget to afford, whether it will be sufficient or not remains to be seen. It is proposed to park further consideration of 2016-17 underspend, until colleagues report back to Council for approval to add to the capital programme.

Capital Financing and Receipts

3.3.12 Given the anticipated capital spending profile reported in para 3.3.1, the following financing mechanisms are expected to be utilised.

MCC CAPITAL FINANCING BUDGET MONITORING 2016-17 at Outturn By FINANCING CATEGORY						
CAPITAL FINANCING SCHEME	Annual Financing	Slippage Brought Forward	Total Approved Financing Budget 2016/17	Provisional Budget Slippage to 2017/18	Revised Financing Budget 2016/17	Forecast Capital Financing Variance 2016/17
	£000	£000	£000	£000	£000	£000
Supported Borrowing	2,400	0	2,400	(0)	2,400	0
General Capital Grant	1,461	0	1,461	0	1,461	0
Grants and Contributions	11,877	16,050	17,853	(5,628)	12,225	(348)
S106 Contributions	713	880	1,407	(522)	885	(172)
Unsupported borrowing	19,738	11,553	25,605	(5,662)	19,943	(205)
Earmarked reserve & Revenue Funding	894	590	1,219	(302)	917	(23)
Capital Receipts	2,948	14,500	8,292	(5,253)	3,039	(91)
Low cost home ownership receipts	0	112	112	0	112	(112)
Unfinanced	0	0	0	0	0	0
Capital Financing Total	40,031	43,684	58,350	(17,368)	40,982	(951)

Useable Capital Receipts Available

3.3.13 In the table below, the effect of the changes to the forecast capital receipts on the useable capital receipts balances available to meet future capital commitments is shown. This is also compared to the balances forecast within the 2016/20 MTFP capital budget proposals.

Movement in Available Useable Capital Receipts Forecast

TOTAL RECEIPTS	2016/17	2017/18	2018/19	2019/20
	£000	£000	£000	£000
Balance b/f 1 st April	5,311	18,935	4,472	510
Add:				
Receipts received in YTD	16,568	0	0	0
Receipts forecast received	0	10,596	5,560	5,660
Deferred capital receipts	4	4	4	4
Less:				
Receipts to be applied	-2,948	-22,635	-4,471	-509
Set aside	0	-2,428	-5,055	-3,281
Predicted Year end receipts balance	18,935	4,472	510	2,384
Financial Planning Assumption 2016/20 MTFP Capital Budget	18,151	6,452	3,985	3,481
Increase / (Decrease) compared to MTFP Capital Receipts Forecast	784	-1,980	-3,475	-1,097

3.3.14 The balances forecast to be held at the 31st March each year are generally lower than forecast in the MTFP, mainly due to the delayed LDP receipts. This difference is eradicated by March 2020 when all the LDP sites are forecast to have been sold. This is offset by the approval of £1,050,000 of capital receipts to fund the Abergavenny Public Realm scheme which was not part of the 2016/20 MTFP.

3.3.15 Members may recall a need to generate £32m receipts to afford their tranche A Future schools aspirations. Those levels aren't yet secured, this isn't a problem per se as the Council has been prioritising the use of Welsh Government funding ahead of its own. Next year capital receipt usage predominantly in regard to Future schools equates to £22m, but ahead of reserve levels and cash balances continue to be used as a source of internal borrowing to mitigate revenue costs within Appropriations budget.

3.3.16 There is an increasingly significant risk to the Council resulting from the need to utilise capital receipts in the same year that they come into the Council. This provides no tolerance or flexibility should the receipts be delayed, which isn't uncommon, and would necessitate compensatory temporary borrowing which is more costly than utilising capital receipts and would necessitate additional revenue savings annually to afford.

3.4 Reserves

3.4.1 Slippage on Earmarked Reserve funded projects

The following table indicates the extent of budgeted reserve funding utilised by Directorates and that element of approved expenditure they request to be deferred. These include,

Project	Reserve Source	Reserve funding utilised 2016-17	in	Reserve funding deferred 2017-18	to
		£'000		£'000	
Digital Programme costs	IT transformation	21		40	
Handsets (Connected worker)	Invest to Redesign			49	
Adult Social Care Transformation	Invest to Redesign	48			
HR restructure	Invest to Redesign	25		0	
Innovation and marketing assistance	Invest to Redesign	76		113	
Volunteer coordinator	Invest to Redesign	40			
External Investment Post	Invest to Redesign			14	
Informing the future of Cultural services	Invest to Redesign	51		0	
CYP services redesign	Invest to Redesign	12		37	
City Deal Contribution	Invest to Redesign	31			
Local Development Plan	Priority Investment			100	
Regional Development Plan	Priority Investment			63	
Eisteddfod	Priority Investment	287			
SCH Leadership Review	Priority Investment	51		74	
Future Monmouthshire	Priority Investment	120		130	
Children's Service Temporary staff	Priority Investment	169			
Schools sickness and maternity compensation scheme	CYP sickness and maternity reserve	10			
Elections Account	Election Reserve			100	
Youth Offending Team Partnership	Trading Account	51			
Redundancy Strain Costs	Redundancy & pension	593		0	
Insurance Provisions and MMI costs	Insurance Reserve	153			
Fixed asset disposal	Capital receipts generation reserve	75		21	
Vehicle leasing	Invest to Save Advances	67			
TOTAL		1,880		740	

3.4.2 The following reserve balances reflects capital and revenue movements during 2016-17 and provide a prediction on 2017-18 year end level based on existing approval levels and slippage levels above.

	2015-16	Net Draw On Reserve	Replenishment of Reserve	2016-17	Net Draw On Reserve	Replenishment of Reserve	2017-18
	B/fwd			C/fwd			Outturn prediction
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General Reserves							
Council Fund	- 7,111	0	0	- 7,111	0	0	- 7,111
School Balances	- 1,156	887	0	- 269		0	- 269
Sub Total	- 8,267	887	-	- 7,380	-	-	7,380
Main Earmarked Reserves							
Invest to Redesign	-1,298	337	0	-961	437	-135	-658
IT Transformation	-827	199	-100	-728	169	0	-558
Insurance & Risk Management	-1,236	153	0	-1,083	0	0	-1,083
Capital Receipt Regeneration	-322	75	-100	-348	142	0	-205
Treasury Equalisation	-990	0	0	-990	0	0	-990
Redundancy & Pensions	-1,274	593	-114	-795	298	0	-497
Capital Investments	-1,265	489	0	-776	157	0	-618
Priority Investments	-1,120	690	-570	-1,000	1,000	0	0
Sub Total	-8,333	2,535	-883	-6,681	2,205	-135	-4,610
Other Earmarked Reserves							
Museum Acquisitions	-57	0	0	-57	0	0	-57
Elections	-108	0	-25	-133	100	-25	-58
Grass Routes Buses	-140	9	-54	-184	0	-5	-189
Youth Offending Team	-325	51	0	-274	0	0	-274
Building Control Trading	-12	0	-14	-26	0	0	-26
Outdoor Education Centres	-190	0	0	-190	0	0	-190
Schools Maternity & Sickness	-104	10	0	-94	0	0	-94
Highways Plant & Equipment		0	-75	-75	0	0	-75
Homelessness Prevention Fund		0	-5	-5	0	0	-5
Rural Development Plan		0	-86	-86	86	0	0
Sub Total	-936	71	-259	-1,124	186	-30	-967
Total Reserves	-17,536	3,494	-1,142	-15,184	2,391	-165	-12,958

3.4.3 Earmarked reserves remain at limited levels unlikely to provide any material capacity/headroom to meet unanticipated volatility or significantly facilitate future service re-engineering and design.

With regard to the allocation of bottom line surplus to replenish reserves, the Sc151 officer's considered advice already indicatively reflected above would be:

Priority Investment Fund	£570k
Redundancy & Pension Reserve	£114k
IT Transformation Reserve	£100k
Capital Receipts Generation Reserve	£100k
Total	£884k

Despite the proposed top up, current predicted use of the Priority investment reserve means that it will likely expire by the end of 2017-18 as a funding source.

- 3.4.4 Given the forecast use of earmarked reserves, Cabinet has previously approved a policy on earmarked reserves to ensure that earmarked reserves are focused on investment in areas where they can achieve most impact.

Schools Reserves

- 3.4.5 Each of the Authority's Schools is directly governed by a Board of Governors, which is responsible for managing the school's finances. However, the Authority also holds a key responsibility for monitoring the overall financial performance of schools. The net effect of an individual school's annual surplus or deficit is shown in a ring-fence reserve for the particular school. Details of the 2016-17 outturn position is shown in the table below.

Outturn movement on school reserves

	Opening reserves 2016-17 (Surplus)/Deficit	Budgeted reserve draw (based on formal budgets submitted by schools)	Predicted Reserve levels at Year end (period 1)	Actual Year end position at Outturn (Surplus)/ Deficit	Variance against budgeted level (favourable)/ adverse
<u>Abergavenny cluster</u>					
E003 King Henry VIII Comprehensive	(107,368)	241,418	134,050	139,355	5,305
E073 Cantref Primary	(41,987)	13,373	(28,614)	(52,766)	(24,152)
E072 Deri View Primary	(86,054)	61,965	(24,089)	(27,297)	(3,208)
E035 Gilwern Jnr & Inf	(41,298)	14,114	(27,184)	(39,636)	(12,452)
E037 Goytre Fawr Jnr & Inf	(53,920)	33,609	(20,311)	(25,371)	(5,060)
E041 Llanfair Kilgeddin CV Jnr & Inf	(66,824)	66,824	0	0	0
E093 Llanfoist Fawr	(93,789)	44,634	(49,155)	(68,056)	(18,900)
E044 Llantillio Pertholey Jnr & Inf	(37,176)	42,426	5,250	(20,967)	(26,217)
E045 Llanvihangel Crocorney Jnr & Inf	23,605	5,543	29,148	3,117	(26,031)
E090 Our Lady and St Michael's RC Primary School	(30,654)	18,973	(11,681)	(45,505)	(33,824)
E067 Ysgol Gymraeg Y Fenni	(58,741)	21,073	(37,668)	(48,966)	(11,299)
Successful Futures Grant Funding from EAS	0		0	0	0
<u>Caldicot cluster</u>					
E001 Caldicot Comprehensive	(208,860)	203,597	(5,263)	(33,736)	(28,473)
E068 Archbishop Rowan Williams Primary	(84,489)	68,591	(15,898)	(49,657)	(33,759)

E094 Castle Park	21,446	23,321	44,767	46,115	1,348
E075 Dewstow Primary School	(112,598)	113,117	519	(90,125)	(90,644)
E034 Durand Jnr & Inf	(60,520)	24,781	(35,739)	(53,931)	(18,192)
E048 Magor Vol Aided Jnr & Inf	(56,008)	5,669	(50,339)	(35,179)	15,159
E056 Rogiet Jnr & Inf	(59,613)	62,602	2,988	(34,184)	(37,172)
E063 Undy Jnr & Inf	(16,641)	(32,724)	(49,365)	50,037	99,402
E069 Ysgol Gymraeg Y Ffin	(13,168)	59,720	46,552	67,410	20,858
Successful Futures Grant Funding from EAS	0		0	0	0
<u>Chepstow cluster</u>					
E002 Chepstow Comprehensive	414,066	(257,190)	156,876	81,068	(75,809)
E091 Pembroke Primary School	(36,201)	32,718	(3,483)	(8,826)	(5,343)
E057 Shirenewton Jnr & Inf	(81,560)	6,152	(75,408)	(87,369)	(11,961)
E058 St Mary's Chepstow RC Jnr & Inf	(25,385)	39,403	14,018	13,192	(826)
E060 The Dell Jnr & Inf	(50,266)	45,000	(5,266)	(46,094)	(40,828)
E061 Thornwell Jnr & Inf	(2,253)	24,371	22,118	20,534	(1,584)
E096 Chepstow Alliance	0	0	0	0	0
Successful Futures Grant Funding from EAS	0		0	0	0
<u>Monmouth cluster</u>					
E004 Monmouth Comprehensive	(45,772)	45,772	0	100,573	100,573
E032 Cross Ash Jnr & Inf	(51,269)	26,099	(25,170)	(45,620)	(20,451)
E092 Kymin View Primary School	(18,774)	32,352	13,578	(10,294)	(23,872)
E039 Llandogo Jnr & Inf	11,446	(694)	10,752	9,736	(1,016)
E074 Osbaston Church In Wales Primary	(37,344)	7,600	(29,744)	(18,570)	11,174
E051 Overmonnow Jnr & Inf	19,101	(39,372)	(20,271)	(3,959)	16,312
E055 Raglan Jnr & Inf	(18,369)	14,005	(4,364)	111,977	116,341
E062 Trellech Jnr & Inf	(86,281)	19,535	(66,746)	(85,762)	(19,016)
E064 Usk CV Jnr & Inf	(71,295)	41,465	(29,830)	(56,108)	(26,278)
Successful Futures Grant Funding from EAS	0		0	0	0
	(1,264,808)	1,129,841	(134,967)	(344,862)	(209,895)
<u>Special Schools</u>					
E020 Mounton House	154,854	(50,000)	104,854	142,417	37,563
E095 Pupil Referral unit	(46,208)	0	(46,208)	(66,340)	(20,132)
	108,646	(50,000)	58,646	76,077	17,431
TOTAL	(1,156,163)	1,079,841	(76,322)	(268,786)	(192,464)

3.4.6 6 schools exhibited a deficit position at the start of 2016/17. Throughout the year this was anticipated to rise to 12 by end of 2016-17. Members had previously queried that prediction based on the level of past adhoc grant receipts received late in the year which had the effect of supplementing year end balances and mitigating past finance concerns about the declining extent of balances and lack of replenishment.

Unfortunately those additional grant receipts haven't been manifest in this last quarter such that the earlier forecast provided has proved accurate at outturn with 12 schools being in deficit.

3.4.7 Collectively school balances at the beginning of the financial year amounted to £1,156,000, given the year end position the following pattern is apparent.

Financial Year-end	Net level of School Balances
2011-12	(965)
2012-13	(1,240)
2013-14	(988)
2014-15	(1,140)
2015-16	(1,156)
2016-17	(269)

Collectively schools have utilised £887k from their reserves this year, which is actually £192k less than originally budgeted, such that the collective outturn reserve is £287k, rather than £76k surplus reported at month 9.

3.4.8 Fairer Funding Regulations adopted by Councils and Governing Bodies commonly preclude governing bodies from planning for a deficit position. This was changed last year in MCC to allow licensed deficits where a recovery plan is agreed and followed. This flexibility only extended as far as there being a collective schools reserve surplus i.e.

“There is an arrangement in place whereby schools are allowed to plan for a deficit budget funded by a collective surplus of school balances held by the authority on behalf of schools.”

3.4.9 It remains unlikely that the collective level of reserves will sustain the traditional annual draw by schools on reserves in recent years, which will add additional focus to addressing the need to remain within budget in 2017/18 as part of Governors formal section 52 budgets rather than passporting the consequences to their reserves, given that flexibility is now pretty much exhausted.

4 REASONS

4.1 To improve budget monitoring and forecasting information being provided to Senior Officers and Members.

5 RESOURCE IMPLICATIONS

5.1 As contained in the report.

6 EQUALITY AND SUSTAINABLE DEVELOPMENT IMPLICATIONS

6.1 The decisions highlighted in this report have no equality and sustainability implications.

7 CONSULTEES

Strategic Leadership Team
All Cabinet Members
All Select Committee Chairman
Head of Legal Services
Head of Finance

8 BACKGROUND PAPERS

Outturn Monitoring Reports (Period 4), as per the hyperlink provided

<http://corphub/initiatives/Budgetmon/20162017/Forms/Q4.aspx>

NB. Given a heightened computer security, and the disablement of automatic links within documents, if clicking the link above does not automatically direct you to the monitoring reports, it should, if you cut and paste it into your internet browser address window.

9 AUTHOR

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Appendices (attached below)



Appendix 1 Mandated Savings Progress Report

Appendix 2 Capital Slippage Analysis



Appendix 1

Budgeted Service Savings Mandates Progress 2016/17






DIRECTORATE	Saving included in 2016/17 Budget	Savings reported achieved month 2	Savings reported achieved month 6	Savings reported achieved month 9	Savings reported achieved @ outturn	Percentage progress in achieving savings	Delayed savings	Savings not achievable
	£'000	£'000	£'000	£'000	£'000	%	£'000	£'000
Children & Young People	600	600	600	600	600	100%	0	0
Social Care & Health	640	640	12	12	12	2%	0	628
Enterprise	310	285	285	245	245	79%	40	25
Resources	544	318	299	260	120	22%	215	209
Chief Executive's	1,565	1,442	1,442	1,437	1,437	92%	85	43
Total Mandated Service Savings 2016-17	3,659	3,285	2,638	2,554	2,414	66%	340	905

2016/17 Budgeted Service Savings Mandates Progress											
CHILDREN & YOUNG PEOPLE											
Budget Proposals 2016/17	Mandate No.	Savings Mandate Narrative	Saving included in 2016/17 Budget £'s	Value of Saving Forecast at Month 2 £s	Value of Saving Forecast at Month 6 £'s	Value of Saving Forecast at Month 9 £'s	Value of Saving achieved at Outturn £'s	Delayed savings £'s	Savings not achievable £'s	Assessment of progress	Progress Indicator
Gwent Music (Nicki Wellington)	A20	Gwent Music is a joint service hosted by Newport. The plan is to refocus the service to make them more efficient.	50,000	50,000	50,000	50,000	50,000	-	-	On track and expected to be fully met	
Phase 3 of Additional Learning Needs Review (Sharon Randall-Smith)	B20	Closure off Deri View SNRB (£50k), Placement costs for External pupils attending Mouton House (£250k). Implementation of new funding formula from April 2016. (£250k).	550,000	550,000	550,000	550,000	550,000	-	-	On track and expected to be fully met	
			600,000	600,000	600,000	600,000	600,000	0	0		









2016/17 Budgeted Service Savings Mandates Progress

SOCIAL CARE & HEALTH											
Budget Proposals 2016/17	Mandate No.	Savings Mandate Narrative	Saving included in 2016/17 Budget £'s	Value of Saving Forecast at Month 2 £s	Value of Saving Forecast at Month 6 £'s	Value of Saving Forecast at Month 9 £'s	Value of Saving achieved at Outturn £'s	Delayed savings £'s	Savings not achievable £'s	Assessment of progress	Progress Indicator
Transition - Bright New Futures (SCH) (Julie Boothroyd)	A24	In 2014 we combined our Transitions Project Team within Bright New Futures Project. (based in Bridges)	12,000	12,000	12,000	12,000	12,000	0	0	Fully met the mandate at year end	
Adult Social Care Transformation (Julie Boothroyd)	A34	The service is continuing its journey on practice change and restructuring itself to meet future mandate savings with community links and innovative approaches to domiciliary care, coupled with less reliance on admissions to residential care.	628,000	628,000	0	0	0	0	628,000	This mandate relates to Community Care which, at year end, had an overspend of £788K. This mandate target has been reduced down to £200K in the 2017/18 budget.	
			640,000	640,000	12,000	12,000	12,000	0	628,000		


2016/17 Budgeted Service Savings Mandates Progress

ENTERPRISE											
Budget Proposals 2016/17	Mandate No.	Savings Mandate Narrative	Saving included in 2016/17 Budget £'s	Value of Saving Forecast at Month 2 £s	Value of Saving Forecast at Month 6 £'s	Value of Saving Forecast at Month 9 £'s	Value of Saving achieved at Outturn £'s	Delayed savings £'s	Savings not achievable £'s	Assessment of progress	Progress Indicator
Leisure Services Income Generation (Ian Saunders)	B1	Income generation/cost savings within the service.	120,000	120,000	120,000	120,000	120,000	-	-	On track and expected to be fully met	
Optimisation & better commercialism of Assets within Tourism, Leisure and Culture (Ian Saunders)		Income Generation Leisure	25,000	-	-	-	-		25,000	Won't be achieved this financial year	
Planning Services- Income Generation (Mark Hand)	B9	Reduce the net cost of planning services with the increase of income from planning applications received.	40,000	40,000	40,000	-	-	40,000	-	Planning has seen a decline in income in recent months, it may struggle to achieve full saving.	
Extension Shared Lodgings Housing Scheme (Ian Bakewell)	B10	Increase the Shared Housing Scheme within Monmouthshire.	50,000	50,000	50,000	50,000	50,000	-	-	On track and expected to be fully met	
Second Phase Review of subsidies to 3 rd Sector (Will Mclean)	B12	Consolidation and reduction of grants to 3rd sector providers.	75,000	75,000	75,000	75,000	75,000	-	-	On track and expected to be fully met	
			310,000	285,000	285,000	245,000	245,000	40,000	25,000		




2015/16 Budgeted Service Savings Mandates Progress

RESOURCES											
Budget Proposals 2016/17	Mandate No.	Savings Mandate Narrative	Saving included in 2016/17 Budget £'s	Value of Saving Forecast at Month 2 £s	Value of Saving Forecast at Month 6 £'s	Value of Saving Forecast at Month 9 £'s	Value of Saving achieved at Outturn £'s	Delayed savings £'s	Savings not achievable £'s	Assessment of progress	Progress Indicator
Sustainable Energy Initiatives (Ben Winstanley)	A5	Investing in biomass boilers, solar farms and reduction in Carbon Commitment.	34,000	0	0	0	0	0	34,000	Unachievable	
Rationalise Business Support (Tracy Harry)	B2	Review the business support functions across the whole Authority to identify savings.	50,000	28,000	50,000	50,000	50,000	-	-	On track and expected to be fully met	
Training Services Consolidation (Peter Davies)	B3	Consolidation of the Authorities existing training functions.	50,000	-	-	-	-	-	50,000	Unachievable	
Community Asset Transfer/ Income generation (Peter Davies / Deb Hill-Howells)	B5	Community Asset Transfer of two properties	60,000	45,000	45,000	45,000	45,000	15,000	-	£60k of £160 relates to Estates of which £45k has been found. £15k shortfall is due to delayed implementation on Melville theatre and ongoing discussion with Town Council over Drill Hall.	
		Optimisation of Assets - PD	75,000	-	-	-	-	-	75,000	Unachievable	
Flexible Employment Options (Peter Davies)	B16	Market to all staff the Authority's flexible benefits and employment packages.	50,000	50,000	-	-	-	-	50,000	Unachievable	
Business rates evaluation - Appeals (Ruth Donovan)	B17	Rate refunds following Appeals by Cooke & Arkwright	140,000	140,000	140,000	140,000	-	140,000		Appeals lodger with Valuation office, backlog of appeals resulted from staff being transferred to new list creation. It is anticipated our appeals will be heard during 2017-18	
Strategic Property Review (Ben Winstanley - Deb Hill-Howells)	B18	Reduction in Corporate Building Maintenance, Purchase Card rebates , Facility Management Restructure and reductions in Transport Costs and Supplies and Services costs	60,000	30,000	39,000	0	0	60,000		Alternative delivery plan has not been possible due to pressures within the service	







2015/16 Budgeted Service Savings Mandates Progress

RESOURCES											
Budget Proposals 2016/17	Mandate No.	Savings Mandate Narrative	Saving included in 2016/17 Budget £'s	Value of Saving Forecast at Month 2 £s	Value of Saving Forecast at Month 6 £'s	Value of Saving Forecast at Month 9 £'s	Value of Saving achieved at Outturn £'s	Delayed savings £'s	Savings not achievable £'s	Assessment of progress	Progress Indicator
Discretionary Fees and Income (Joy Robson)	B23	Increased Discretionary Fees & Charges	25,000	25,000	25,000	25,000	25,000	-	-	Spread across authority, assume it has been achieved.	
TOTAL			544,000	318,000	299,000	260,000	120,000	215,000	209,000		








2016/17 Budgeted Service Savings Mandates Progress

CHIEF EXECUTIVE'S UNIT											
Budget Proposals 2016/17	Mandate No.	Savings Mandate Narrative	Saving included in 2016/17 Budget £'s	Value of Saving Forecast at Month 2 £s	Value of Saving Forecast at Month 6 £'s	Value of Saving Forecast at Month 9 £'s	Value of Saving achieved at Outturn £'s	Delayed savings £'s	Savings not achievable £'s	Assessment of progress	Progress Indicator
Garden Waste (Rachel Jowitt)		Increase in charges for Garden Waste collection service.	40,000	40,000	40,000	40,000	40,000			On track	
Home to School Transport (R Hoggins / Richard Cope)	A14	Continuation of 2014-15 mandate. Fundamental policy review to nearest school, and more zealous application of free school travel criteria.	30,000	30,000	30,000	30,000	30,000			This saving is forecast to be achieved but through the reduction in contract costs for home to school transport rather than the policy review initially included in the original mandate. There is no appetite for the nearest school policy to be reviewed at this moment in time but it is still being looked into.	
Community Hubs (Will McClean)	A28	It's about delivering services in a different way and aligning them with the Whole Place philosophy. This will introduce major changes to how the library and one stop shop services are delivered. We will create a hub in each town where face to face services will be delivered. The contact centre will sustain a reliable and informed first point of contact for people contacting us other than face to face.	25,000	25,000	25,000	25,000	25,000			Achievable through alternative Delivery Plan	

2016/17 Budgeted Service Savings Mandates Progress

CHIEF EXECUTIVE'S UNIT											
Budget Proposals 2016/17	Mandate No.	Savings Mandate Narrative	Saving included in 2016/17 Budget £'s	Value of Saving Forecast at Month 2 £s	Value of Saving Forecast at Month 6 £'s	Value of Saving Forecast at Month 9 £'s	Value of Saving achieved at Outturn £'s	Delayed savings £'s	Savings not achievable £'s	Assessment of progress	Progress Indicator
Community Hubs (Rachel Jowitt)	A28	It's about delivering services in a different way and aligning them with the Whole Place philosophy. This will introduce major changes to how the library and one stop shop services are delivered. We will create a hub in each town where face to face services will be delivered. The contact centre will sustain a reliable and informed first point of contact for people contacting us other than face to face.	25,000	25,000	25,000			25,000		Achievable through alternative Delivery Plan. Contact Centre experiencing overspend exceeding mandate target	
Legal Services (Rob Trantor)	B7	Income generation by providing Legal Services to external organisations.	25,000	25,000	25,000	25,000	25,000	-		Currently staff resource is totally used up undertaking internal legal work so there is no spare capacity to generate income from outside of the organisation. This will not affect outturn in 16-17 as it has been offset by a grant windfall in Land Charges.	
Promoting Business Waste (Rachel Jowitt)	B8	Introduction of a new policy to charge for trade waste, and better control over the use of household waste recycling centres.	80,000	80,000	80,000	80,000	80,000			On Track	
Leadership Team Structure Review (Paul Matthews)	B11	Re-alignment of Senior Key Posts and Roles.	315,000	272,300	272,300	272,300	272,300		42,700	Waiting for update on the achievability, alternative delivery option	
Highways Infrastructure Income Generation (Roger Hoggins)	B13	Income generation from highway advertisements across Monmouthshire (£50k)	150,000	150,000	150,000	150,000	150,000			Planning approval delays means £25,000 relating to advertising income will be delayed. Shortfall will be managed within service budget.	
Grounds – Funding Review (Rachel Jowitt)	B14		75,000	75,000	75,000	75,000	75,000			on track	

2016/17 Budgeted Service Savings Mandates Progress

CHIEF EXECUTIVE'S UNIT											
Budget Proposals 2016/17	Mandate No.	Savings Mandate Narrative	Saving included in 2016/17 Budget £'s	Value of Saving Forecast at Month 2 £s	Value of Saving Forecast at Month 6 £'s	Value of Saving Forecast at Month 9 £'s	Value of Saving achieved at Outturn £'s	Delayed savings £'s	Savings not achievable £'s	Assessment of progress	Progress Indicator
Highways Maintenance (Roger Hoggins)	B15	Reducing the budgets within the highways section.	200,000	200,000	200,000	200,000	200,000			on track	
Property Services and Facilities Management Review (Rob O'Dwyer)	B19	Reduction in corporate building maintenance budgets. Purchase rebates from the use of procurement cards. (£15k), Facility Management restructure (£35k)	100,000	100,000	100,000	100,000	100,000			The section is forecast to achieve the full mandate saving, shortfall from purchase rebates will be covered through general expenditure efficiencies.	
Town and Community Councils (Roger Hoggins)	B21	Restructuring of Services in collaboration with Town / Community Councils PCs	110,000	90,000	90,000	90,000	90,000	20,000		Public conveniences are forecast to achieve £90,000 of the £110,000k mandate saving due to delayed implementation of which £80k is a contribution from the Town Council.	
		Grounds	83,500	83,500	83,500	83,500	83,500			On Track	
		Waste	71,500	71,500	71,500	71,500	71,500			On Track	
Town and Community Councils (Roger Hoggins)	B21	Restructuring of Services in collaboration with Town / Community Councils (Shortfalls) Museums (£0 out of £20k) Tourism (£5,000 out of £25k) Community Hubs (£70,000 out of £90K))	135,000	75,000	75,000	95,000	95,000	40,000		No contribution from Town council for museums. Only £5k received from Chepstow TC for TIC. £90k achieved from Hubs, increased savings of £20k being achieved through alternative delivery model for hubs. So High Risk on Museums, Low Risk on Tourism and Community Hubs	
Collaboration and realigning structures in operations (Roger Hoggins)	B22		100,000	100,000	100,000	100,000	100,000			£70k of total saving related to Highways efficiencies from restructure, delay in implementation has meant staff savings have been delayed as well. Should not impact on outturn position as shortfall will be covered by managed efficiencies in expenditure.	
TOTAL			1,565,000	1,442,300	1,442,300	1,437,300	1,437,300	85,000	42,700		

Appendix 2 – Capital Slippage Analysis

SELECT	Budget Holder	SCHEME TITLE	Year End Slippage Request	Amount Proposed for endorsement	Amount endorsed but proposed to be added back expenditure year is certain	Amounts not proposed for endorsement
CYP	Simon Kneafsey	New Monmouth Comp – 21c Schools	-9,281,832	-9,281,832		
CYP	Simon Kneafsey	New Caldicot School – 21c Schools	-4,627,357	-4,627,357		
CYP	Simon Kneafsey	Welsh Medium Secondary (Joint Project)	-1,000,000	-1,000,000		
CYP	Rob O'Dwyer	Chepstow School – Removal & Replacement of Asbestos Cladding Panels	-15,000	-15,000		
CYP	Rob O'Dwyer	Usk Primary: Remodel Entrance, Office & Shower	-26,469	-26,469		
CYP	Sian Hayward	Schools ICT Outline Business Case	-351,233	-351,233		
SCOMM	Rob O'Dwyer	Generic - Asbestos removal	-27,281	0		-27,281
SCOMM	Rob O'Dwyer	Generic - Radon response	-7,610	0		-7,610
SCOMM	Rob O'Dwyer	Aber Castle - Refurb to prolong & cons ancient walls	-22,492	-22,492		0
SCOMM	Rob O'Dwyer	Monitor & update fire & intruder alarms	-3,910	-3,910		
SCOMM	Rob O'Dwyer	Generic - Fire Safety remedial works to ensure compliance with 2005 regulatory reform	-5,391	0		-5,391
SCOMM	Rob O'Dwyer	Abergavenny LC - Replace CHP Plant	-21,240	-21,240		
SCOMM	Rob O'Dwyer	Hilston Park: Internal Areas	-7,500	0		-7,500
SCOMM	Rob O'Dwyer	Chepstow Museum: Repair External Lime Render	-12,584	-12,584		
SCOMM	Rob O'Dwyer	Generic - Rectification after Fixed Wire Testing	-6,756	0		-6,756
SCOMM	Rob O'Dwyer	Shire Hall – Emergency Structural Investigation and repairs to staircase	-7,500	-7,500		
SCOMM	Deb Hill -Howells	Community Hubs	-51,122	0	-51,122	
SCOMM	Dan Davies	Caldicot Castle Kitchen	-10,071	0		-10,071

SCOMM	Mike Moran	Monmouth Sports Ground Drainage	-1,902	0	-1,902
SCOMM	Ben Winstanley	Non County Farms Fixed Asset Disposal Costs	-84,874	-84,874	
SCOMM	Roger Hoggins	Car Park Granville St & Wyebridge St	-152,214	-152,214	
SCOMM	Mathew Lewis	Structural Repairs - PROW	-22,647	-22,647	
SCOMM	Paul Keeble	Footway Reconstruction	-99,445	-99,445	
SCOMM	Paul Keeble	Carriageway Resurfacing - Various	-52,562	-52,562	
SCOMM	Paul Keeble	Safety Fence Upgrades	-71,370	-71,370	
SCOMM	Mark Davies	Signing Upgrades And Disabled Facilities	-23,091	-23,091	
SCOMM	Mark Davies	Road Safety & Trafficman Programme	-75,088	-75,088	
SCOMM	Sian Hayward	Purchase of Sharepoint and Active Directory Licences	-5,572	0	-5,572
SCOMM	Lisa Widenham	Upgrade to the Agresso system	-9,888	-9,888	
SCOMM	Lisa Widenham	Provision of online facilities Revenue's section	-13,000	-13,000	
SCOMM	Shirley Wiggam	Low Cost Home Ownership	-112,293	0	-112,293
SCOMM	Deb Hill-Howells - Ben Winstanley	County Farms Maintenance & Reinvestment	-30,000	-30,000	
SCOMM	Mike Moran	Sc 106 Multi Use Games Area Bayfield Open Space	-5,470	0	-5,470
SCOMM	Mike Moran	S106 – Recreation Croesonen	-6,129	0	-6,129
SCOMM	Debbie McCarty	S106 – Town Centre Partnership	-1,700	-1,700	
SCOMM	Mike Moran	S106 Crick Wildlife Garden (Caer Off Site)	-10,866	-10,866	
SCOMM	Mike Moran	S106 Mardy Allotments (Croesonen)	-18,900	0	-18,900
SCOMM	Mike Moran	S106 Croesonen Play Park (Croesonen)	-14,527	-14,527	
SCOMM	Mike Moran	S106 Monmouth Petanque Floodlights (Monmouth)	-2,493	0	-2,493
SCOMM	Mike Moran	S106 Monmouth Gateway (Monmouth)	-20,000	0	-20,000
SCOMM	Mike Moran	S106 St Thomas Church Refurb (Monmouth)	-2,000	-2,000	
SCOMM	Mike Moran	S106 Wyesham Community Woodland (Monmouth)	-21,000	-21,000	
SCOMM	Mike Moran	S106 Destination Play Area (Monmouth)	-85,000	0	-85,000
SCOMM	Mike Moran	S106 Drybridge Nature Park (Monmouth)	-9,537	-9,537	
SCOMM	Mike Moran	S106 Cricket Wicket and Changing Rooms (Little Mill)	-20,000	-20,000	
SCOMM	Mike Moran	S106 Little Mill Trail (Little Mill)	-27,720	0	-27,720

SCOMM	Mike Moran	S106 Gilwern Fitness Equip (Ty Mawr)	-7,065	0	-7,065
SCOMM	Mike Moran	S106 Gilwern Petanque Terrain (Ty Mawr)	-3,960	0	-3,960
SCOMM	Mike Moran	S106 Heaven Scent Garden (Ty Mawr)	-945	0	-945
SCOMM	Mike Moran	S106 Clydach Playing Field Barrier (Ty Mawr)	-70	-70	
SCOMM	Mike Moran	S106 Gilwern Bowling Green (Ty Mawr)	-496	-496	
SCOMM	Mike Moran	S106 Gilwern Playing Field Improvements (Ty Mawr)	-10,190	-10,190	
SCOMM	Mike Moran	S106 Incredible Edible Project (Ty Mawr)	-1,215	-1,215	
SCOMM	Mike Moran	S106 - Upgrading play area Caldicot Castle	-8,935	-8,935	
SCOMM	Mike Moran	Rogiet Playing Field Car Park and Magor GRIP study	-40,084	-40,084	
SCOMM	Mike Moran	S106 Gilwern Towpath Upgrade (Cae Meldon)	-18,000	-18,000	
SCOMM	Mike Moran	S106 Gilwern Scooter Park (Cae Meldon)	-21,555	-21,555	
SCOMM	Mike Moran	S106 Gilwern Comm Centre Heating (Cae Meldon)	-11,475	-11,475	
SCOMM	Mike Moran	S106 Gilwern OEC (Cae Meldon)	-56,802	-56,802	
SCOMM	Mike Moran	New Playing Pitches (Clydach Juniors – Cae Meldon)	-53,000	-53,000	
SCOMM	Mike Moran	S106 Llanelly Hill Welfare Car Park (Cae Meldon)	-22,441	-22,441	
SCOMM	Mike Moran	Cae Meldon S106 Off Site Recreation	-23,020	-23,020	
E&D	Rob O'Dwyer	Replacement Cattle Market	-183,357	-183,357	
E&D	Amy Longford	Caerwent House, Major Repairs	-50,800	-50,800	
E&D	Ben Winstanley	Solar Farm – Oak Grove	-505,740	-505,740	
E&D	Deb Hill Howells	Sc106 Woodstock Way Linkage Scheme	-226,504	-226,504	
			-17,730,290	-17,317,110	-214,712
					-198,468

